

SUBJECT: Rural Cooperative Development Grant Program  
Servicing Requirements

TO: State Directors  
Rural Development

ATTN: Business and Cooperative Program Directors

**PURPOSE/INTENDED OUTCOME:**

The purpose of this Administrative Notice (AN) is to clarify and provide additional guidance regarding monitoring, reporting, and site visit requirements associated with the servicing of the Rural Cooperative Development Grants (RCDG) program. This AN will also fulfill one of the Management Control Review recommendations for the RCDG program.

**COMPARISON WITH PREVIOUS AN:**

There is no previous AN.

**IMPLEMENTATION RESPONSIBILITIES:**

Field staff must conduct a compliance review in accordance with RD Instruction 1901-E, section 1901.204(a)(23) when technical assistance is being provided. Section 1901.204(e)(2)(ii) requires the initial review to be conducted before the grant is closed. When the field staff conducts the compliance review, they should also review the grantee's personnel and travel policies to ensure that its management systems meet the standards of 7 CFR 3019.

EXPIRATION DATE:  
June 30, 2007

FILING INSTRUCTIONS:  
Preceding RD Instructions 4284-F

In accordance with RD Instruction 4284-A, section 4284.14, Rural Development field staff are responsible for servicing and monitoring grants. At a minimum, onsite visits must be conducted to the Center and its projects annually and normally before the last request for reimbursement is paid. Additional site visits must be conducted if there are performance problems.

States will assure that grantees abide by the reporting requirements of the RCDG program as defined in RD Instruction 4284-A, section 4284.12(a) and (c). Grantees must submit a “Financial Status Report” and a “Performance Report” on a semiannual basis with reporting periods ending March 31 and September 30. Also, a final “Financial Status Report” and “Performance Report” are due within 90 days after the completion of the grant. The field staff should review the reports for compliance with the approved workplan and budget. If there are discrepancies or concerns after the review is completed, a written notification must be sent to the grantee.

The performance elements required by the RCDG grant agreement will be added to the Guaranteed Loan System. However, until this is completed, the field staff must compile the numbers from the final report and report them to the National Office.

If you have any questions concerning this AN, please contact Diane Berger at 202-260-1508.

*(Signed by Jackie J. Gleason)*

JACKIE J. GLEASON  
Acting Administrator  
Business and Cooperative Programs